



State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

FEBRUARY 2005

WORKFORCE OBSERVATIONS FOR MILWAUKEE/WOW COUNTIES MILWAUKEE, WASHINGTON, OZAUKEE AND WAUKESHA COUNTIES

JANUARY UNEMPLOYMENT RATES SHOW MONTHLY INCREASES; ANNUAL DECREASES

Milwaukee County's unemployment rate increased six-tenths of percentage point, monthly, to 6.0 percent in January 2005. The year 2005 has continued where 2004 left off with a lower unemployment rate than that in the same month of the previous year, thus showing continued improvement in the local labor market. The current rate is

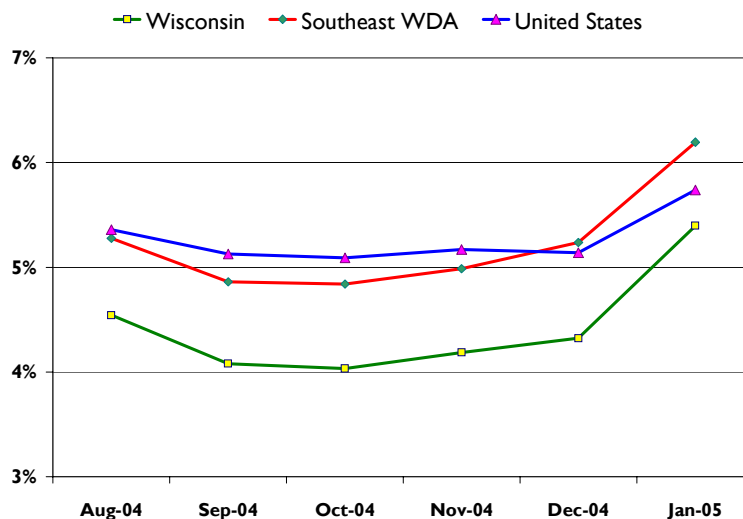
nine-tenths of a percentage point lower than in January 2004.

Washington County's unemployment rate stood at 4.9 percent in January, which was 1.1 percent point higher than December. Annually, the rate is six-tenths lower than in January 2004.

Ozaukee County's unemployment rate increased over one full percent point since December to 3.9 percent. Compared to historical December to January changes, this increase is a bit higher than usual, but it is not out of the realm of expectation given that the change in labor force between December and January is the most volatile of the year. Like the other three metro counties, Ozaukee's unemployment rate is lower than what it was in January 2004—by four-tenths of a percentage point.

Waukesha County's unemployment rate in January was 4.1 percent. The rate climbed seven-tenths of a point compared to December, though it was nine-tenths lower than the January 2004 rate. Waukesha County has over 2,300 more employed residents juxtaposed against almost 1,800 fewer unemployed.

Six-Month Unemployment Rate Watch



source: DWD and U.S. Bureau of Labor Statistics

The not seasonally adjusted un-

Civilian Labor Force Estimates for Milwaukee-Waukesha MSA counties: January 2005

	Wisconsin			Milwaukee-Waukesha-WV. Allis MSA			Milwaukee County		
	Jan-05	Dec-04	Jan-04	Jan-05	Dec-04	Jan-04	Jan-05	Dec-04	Jan-04
Labor force	3,047,551	3,063,892	3,050,416	777,743	782,741	775,779	453,800	457,085	453,097
Employed	2,883,094	2,931,449	2,871,931	736,853	747,156	728,217	426,636	432,602	421,636
Unemployed	164,457	132,443	178,485	40,890	35,585	47,562	27,164	24,483	31,461
% Unemployed	5.4%	4.3%	5.9%	5.3%	4.5%	6.1%	6.0%	5.4%	6.9%
	Washington County			Ozaukee County			Waukesha County		
	Jan-05	Dec-04	Jan-04	Jan-05	Dec-04	Jan-04	Jan-05	Dec-04	Jan-04
Labor force	69,590	69,801	69,264	46,623	46,719	46,263	207,730	209,136	207,155
Employed	66,212	67,138	65,436	44,785	45,411	44,260	199,220	202,006	196,885
Unemployed	3,378	2,663	3,828	1,838	1,308	2,003	8,510	7,130	10,270
% Unemployed	4.9%	3.8%	5.5%	3.9%	2.8%	4.3%	4.1%	3.4%	5.0%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for the Milwaukee-Waukesha MSA: January 2005

Place of Work Employment in 1,000's	Wisconsin			Milw'kee-Wauk-W. Allis MSA		
	Jan. 2005	Change since Dec. 2004	Change since Jan. 2004	Jan. 2005	Change since Dec. 2004	Change since Jan. 2004
All Industries	2,755.0	-67.4	36.9	822.7	-18.4	7.6
Construction/Natural Resources	114.9	-11.6	1.4	30.4	-2.9	0.3
Manufacturing	498.8	-2.3	5.3	134.4	0.1	0.8
Retail Trade	316.1	-18.2	2.3	82.2	-5.4	-0.3
Wholesale Trade	113.8	0.3	1.5	39.3	-0.1	0.4
Transport/Warehouse/Utilities	104.9	-4.4	1.5	29.8	-1.7	-0.2
Financial Activities	156.6	-0.8	-0.1	55.9	-0.8	-1.5
Education and Health Services	379.1	-4.9	10.5	132.8	-1.1	3.6
Leisure and Hospitality	236.6	-3.7	6.3	61.9	-1.3	-0.4
Info./Prof./Bus.and Other Services	422.7	-12.0	-0.1	164.7	-3.7	3.4
Information	50.5	-0.1	0.3	18.5	0.0	0.0
Professional and Business Services	240.8	-8.5	0.8	105.1	-2.6	3.1
Other Services	131.4	-3.4	-1.2	41.1	-1.1	0.3
Fed/State/Local Government	411.5	-9.8	8.3	91.3	-1.5	1.5

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

employment rate for the **Milwaukee-Waukesha-West Allis MSA** was 5.3 percent representing an increase of eight-tenths of percentage point since December. Month-to-month changes in the labor force could be characterized seasonally throughout the entire calendar, but the change between December and January is particularly dramatic and an increased unemployment rate is expected. In fact, the current monthly rate increase was average in degree.

The annual perspective of the metro area labor force measures more than 8,600 more employed residents and over 6,600 fewer unemployed. Its unemployment rate is nine-tenths of a percentage point lower than it was in January 2004. Based upon currently published data, January's unemployment rate was the lowest for this month since January 2001.

From the industry employment view of the labor market, the total number of jobs in the **Milwaukee-Waukesha-West Allis MSA** was 822,700 nonfarm wage and salary jobs. The overall, monthly net

change in the number of jobs was a loss of 18,400 jobs reflecting job declines in every industry sector with one exception; manufacturing, which gained 100 jobs over the month. This gain is intriguing because manufacturing is an industry, which has historically showed a job decline in the neighborhood of 1,000 to 2,500 jobs between December and January. These current estimates are preliminary and one will have to wait for the February estimates (which finalize the January numbers) to see if January's manufacturing monthly increase holds. It is encouraging nonetheless. Noteworthy monthly employment declines were measured in retail trade, construction and in transportation, warehousing and utilities. These sectors' employment losses were relatively sharp, though not unexpected for January. The total monthly decline of 18,400 jobs is rather typical from December to January.

The annual industry employment tally is almost one percent higher compared to January 2004 reflecting overall net growth of about 7,600 jobs. Education and health services

employment gained the most jobs at +3,600 jobs. The professional and business services sector added 3,100 jobs and was also the fastest growing industry gaining three percent more employment annually. Manufacturing employment also showed an annual employment increase (+800 jobs). Wholesale trade increased by 400 jobs. The sustained growth in both wholesale trade and in professional and business services are closely tied to the rebound in manufacturing activity in the area. Financial activities employment showed the most significant annual employment loss in the metro area (-1,500 jobs).

Direct questions and comments to:

Eric Grosso, State Labor Economist

201 East Washington Avenue

Room A400

Madison, Wisconsin 53702

Phone: 608.266.7034

e-mail: eric.grosso@dwd.state.wi.us

Find the most current labor market info at
<http://dwd.wisconsin.gov/oea/>